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JOINT STUDY COMMITTEE ON MASS TRANSIT AND TRANSPORTATION **ALTERNATIVES**

Legislative Services Agency 200 West Washington Street, Suite 301 Indianapolis, Indiana 46204-2789 Tel: (317) 233-0696 Fax: (317) 232-2554

MEETING MINUTES¹

Meeting Date: October 28, 2009

Meeting Time: 9:00 A.M.

Meeting Place: State House, 200 W. Washington

St., Room 431

Meeting City: Indianapolis, Indiana

Meeting Number:

Members Present: Sen. Thomas Wyss, Co-Chairperson; Sen. James Merritt; Sen.

> Vaneta Becker; Sen. Phil Boots; Sen. James Buck; Sen. Travis Holdman; Sen. James Arnold; Sen. Earline Rogers; Sen. James Lewis; Sen. Jean Breaux; Rep. Terri Austin, Co-Chairperson; Rep. David Niezgodski; Rep. Robert Bischoff; Rep. Nancy Dembowski; Rep. Vern Tincher; Rep. Cleo Duncan; Rep. William Davis; Rep. Thomas Saunders; Rep. Ed Soliday; Rep.

Jacque Clements.

Members Absent: Sen. Allen Paul; Rep. Sandra Blanton; Rep. Phil Pflum.

¹ Exhibits and other materials referenced in these minutes can be obtained electronically by requesting copies at licrequests@iga.in.gov Hard copies can be obtained in the Legislative Information Center in Room 230 of the State House in Indianapolis, Indiana. Requests for hard copies may be mailed to the Legislative Information Center, Legislative Services Agency, West Washington Street, Indianapolis, IN 46204-2789. A fee of \$0.15 per page and mailing costs will be charged for hard copies. These minutes are also available on the Internet at the General Assembly homepage. The URL address of the General Assembly homepage is http://www.in.gov/legislative/. No fee is charged for viewing, downloading, or printing minutes from the Internet.

I. Call to Order

Senator Wyss called the meeting to order at 9:08 a.m.

II. Keith Bucklew, Director, Freight Mobility, Indiana Department of Transportation

Mr. Bucklew spoke to the Committee about Indiana's multimodal freight and mobility study and plan. See Exhibit A. Mr. Bucklew told the Committee that the demand for freight transportation is at an all-time high and is expected to double by 2035. He listed some of the key issues that Indiana needs to address, including highway and rail congestion, the availability of skilled labor, and intermodal connectivity. Mr. Bucklew also discussed gaps in Indiana's highway infrastructure and rail system, such as bridges over the Ohio River, dedicated truck lanes on I-70, rail connectivity in Chicago, and a passenger rail system.

In response to a question from Representative Davis, Mr. Bucklew explained that while Indiana's rail system has adequate capacity to reach Chicago, the infrastructure needs to be improved to handle the density and volume of travel necessary for efficient rail connectivity in Chicago. Mr. Bucklew told Representative Tincher that the addition of I-69 will divert existing freight traffic from I-70. Mr. Bucklew also explained that the decision to decrease the thickness of I-69 by three inches to expedite the construction will decrease the usable life of the highway. Mr. Bucklew agreed with Representative Austin that the current \$1 million appropriation to the industrial rail service fund is inadequate.

III. Steve Watson, CSX

Mr. Watson stated that both rail and highway freight traffic are expected to increase drastically over the next ten to 25 years. He also asserted that Indiana does not have a comprehensive plan to upgrade its rail freight transportation system or to integrate an intermodal system. See Exhibit B. Following his testimony, Mr. Watson introduced the next three speakers: Thomas Hoback, President of the Indiana Rail Road Company (INRD); Henry Lampe, President of the Chicago South Shore & South Bend Railroad (CSS&SB); and John Secor, President of the Louisville & Indiana Railroad (L&I).

Mr. Hoback told the Committee that INRD provides service from Indianapolis to Bloomington, southwest Indiana, and Terre Haute, as well as daily service to Chicago and Louisville. He stated that INRD has grown from 17 to over 200 employees since 1986, has a \$16.1 million annual payroll, and has invested over \$100 million in its operations since 1986. Mr. Hoback encouraged the Committee to consider public-private partnerships for rail projects. Senator Buck asked about the speed of travel from Indianapolis to Louisville, and Mr. Hoback replied that the average speed is 25 to 40 miles per hour and that newer rail and more cross ties are necessary to increase the speed. INRD previously studied the possibility of offering passenger service between Indianapolis and Bloomington, and Mr. Hoback offered to provide the study results to the Committee. Mr. Hoback told Senator Boots that INRD pays CSX to travel its rails between Terre Haute and Chicago. Mr. Hoback and Representative Tincher discussed the feasibility of building a rail bypass to decrease congestion in Terre Haute. In response to a question from Senator Rogers, Mr. Hoback cited Ohio, Kansas, and Oregon as states that provide essential rail funding.

Mr. Lampe told the Committee that CSS&SB uses tracks belonging to the Northern Indiana Commuter Transportation District (NICTD) and has paid NICTD \$53,827,000 in trackage rights fees from 1990 to 2007. CSS&SB has 65 employees, 10 locomotives, and 606 freight cars. See Exhibit C. Mr. Lampe also raised the possibility of railroad companies reclaiming the rights of way that are presently being used as bicycle and pedestrian paths and cited the state of Washington as an example.

Mr. Secor first provided a brief overview of L&I operations, including the need for capital upgrades such as bridge replacements. Mr. Secor voiced his support for public funding for crossing signal and surface maintenance. See Exhibit D. Mr. Secor agreed with Representative Soliday that railroad consolidation would increase efficiency but noted that a larger railroad sold off L&I because it was a marginal asset. Representative Austin asked Mr. Secor and the other railroad company presidents if the Indiana Department of Transportation had contacted them as part of the freight and mobility study; all replied no.

IV. Kevin Brubaker, Deputy Director, Environmental Law and Policy Center

Mr. Brubaker briefed the Committee on the plan for rail service in the Midwest, which includes upgrading existing infrastructure and providing faster and more reliable service. See Exhibit E. He stated that the introduction of high speed rail service in the Midwest would save \$2 billion in congestion-related expenses. Mr. Brubaker asserted that a high speed rail system would create jobs, promote economic development, and provide mobility for an aging population. Next, Mr. Brubaker gave examples of states that provide funding for high speed rail capital costs. He also reiterated President Obama's support for high speed rail in the United States. Finally, Mr. Brubaker told the Committee that in 2006 Illinois doubled its passenger rail service along four state-funded routes. At the end of the presentation, Mr. Brubaker distributed to Committee members a chart showing the service, finance, and operating characteristics of state-supported Amtrak trains. See Exhibit F.

Representative Soliday asked Mr. Brubaker how Illinois paid for the costs associated with doubling its passenger rail service; Mr. Brubaker responded that 90% of the costs were paid from the state general fund. Senator Becker asked Mr. Brubaker if he was aware of any possibilities in southwest Indiana to use existing CSX tracks for passenger rail service; he replied that he was unaware of any passenger rail studies and suggested looking at West Virginia as an example. Mr. Brubaker confirmed to Representative Davis that Amtrak is the sole provider of passenger rail service in the United States.

V. Allan Hubbard, Central Indiana Transit Task Force

Allan Hubbard, co-chairman of the Central Indiana Transit Task Force, spoke to the Committee about the forthcoming cost/benefit analysis that the task force plans to present in January 2010. Members of the task force include the Central Indiana Corporate Partnership, the Greater Indianapolis Chamber of Commerce, the Central Indiana Community Foundation, and the Indianapolis Metropolitan Planning Organization.

VI. Laura Kliewer, Midwest Interstate Passenger Rail Commission (MIPRC)

Ms. Kliewer first talked about the federal Passenger Rail Investment and Improvement Act (PRIIA), which in part mandates positive train control by 2015, funds Amtrak on a five year cycle, and establishes and 80%/20% federal/state match for passenger rail grants. See Exhibit G. PRIIA also provides intercity passenger rail service corridor capital assistance, congestion grants, and funding for a high speed rail corridor program. Ms. Kliewer also discussed the rail investment opportunities afforded by the American Recovery and Reinvestment Act. Finally, Ms. Kliewer distributed to Committee members a news release about applications by midwestern states for federal passenger rail funding and an article about the planned Midwest passenger rail system from Stateline Midwest, a publication of the midwestern office of the Council of State Governments. See Exhibits H and I.

VII. Other Business and Adjournment

The meeting was adjourned at 11:35 a.m.